

AHS Board of Trustees Meeting

CEO REPORT

FEBRUARY 28, 2019

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SAPPHIRE
January
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Closing
Reflections

AHS OPERATIONAL PLAN FY 2018

PERFORMANCE DASHBOARD

Pillars	True North	Baseline	FY 19 Target	Current Performance		FY19 YTD Results	Desired Direction	Trend
				Timeframe	Results			
Access <i>Time measures in Hour:Minute</i>	Ambulatory Appointment: Check-in to Discharge Time-Primary	1:15	1:09	Dec 2018	1:11	1:12	↓	
	Ambulatory Appointment: Check-in to Discharge Time-Specialty	1:34	1:26	Dec 2018	1:19	1:24	↓	
	Acute Med/Surg Observed to Expected Length of Stay	1.1	1.08	Dec 2018	1.14	1.12	■	
	Median Time from Decision to Admit to Inpatient Bed (HGH ED Admitted Pts)	8:54	7:07	Dec 2018	16:25	12:08	↓	
Sustainability	EBIDA Margin	2.2%	4.6%	Nov 2018	1.7%	3.7%	↑	
	AHS Cash Collections as a Percent of Expected Net Revenue	91.4%	92.4%	Nov 2018		103.0%	↑	
	AHS Gross Days in Accounts Receivable	65.50	67	Nov 2018		71.00	↓	
	Expense Per APD	\$2,787	\$ 2,846	Nov 2018	\$ 2,763	\$ 2,691	↓	
	Worked Hours Per APD	21.86	22.36	Nov 2018	20.70	21.10	↓	
Quality	PRIME Metrics on Target	55	54	Nov 2018	39		↑	
	QIP Metrics on Target	N/A	18	Nov 2018	14		↑	
	Acute: All Cause 30 Day Readmits	12.59%	12.23%	Nov 2018	12.98%	12.57%	↓	
	Hospital Acquired Infections Index	10.80	9.72	Nov 2018	4.60	6.73	↓	
	Hospital Acquired Harms Index per 1000 discharges	3.05	2.76	Nov 2018	3.88	1.81	↓	
Experience	HCAHPS - % Rate Hospital 9 or 10	72.1%	72.79%	Nov 2018	72.5%	70.1%	↑	
	HCAHPS- % Rate Care Transitions Domain "Strongly Agree"	46.0%	47.60%	Nov 2018	48.5%	47.6%	↑	
	CG CAHPS-% Rate Provider 9 or 10	73.6%	76.78%	Oct 2018	73.8%	73.6%	↑	
	Inpt Behavioral Health Mean	79.90	80.50	Nov 2018	78.50	79.40	↑	
Network	Rehospitalization during the first 30 days of Home Health	13.64%	14.40%	Dec 2018		2.94%	↓	
	Wellness Center Out-of-network referrals for Ortho Back, General Surgery and Hepatitis C	11.46%	10.31%	Dec 2018	0.00%	5.60%	↓	
Workforce	Workplace Injury Reduction	303	288	Dec 2018	16	134	↓	
	Turn Over †	11.40%	11.09%	Dec 2018	10.11%	11.10%	↓	
† Results are annualized to allow for comparison		Performance not at Desired Target						
		Performance Target Met or Exceeded						



FIELD UPDATES

Transparency and Surprise Medical Billing



After Vox story, Zuckerberg hospital rolls back \$20,243 emergency room bill

The city of San Francisco is also planning hearings on the emergency room's billing tactics.

PHOTO: GETTY IMAGES/ALAMY



After Vox story, California lawmakers introduce plan to end surprise ER bills

A new bill would outlaw the big, surprise bills that Zuckerberg San Francisco General Hospital has sent to hundreds of patients.



Taking Surprise Medical Bills To Court

Some legal experts say contract law could provide consumers another avenue to challenge unexpected hospital bills.

PHOTO: GETTY IMAGES/ALAMY

Medicare For All

"We intend to make sure that Americans across this country know that we are standing up and fighting for them and for health care to be a right and not a privilege,"

*Rep. Primala Jayapal, D-Wash
Lead sponsor of the bill and co-chair, Congressional
Progressive Caucus*



'Medicare for all' bill unveiled: 'Complete transformation' of health care

The legislation's most contentious provision would end private health insurance and replace it with a government system.

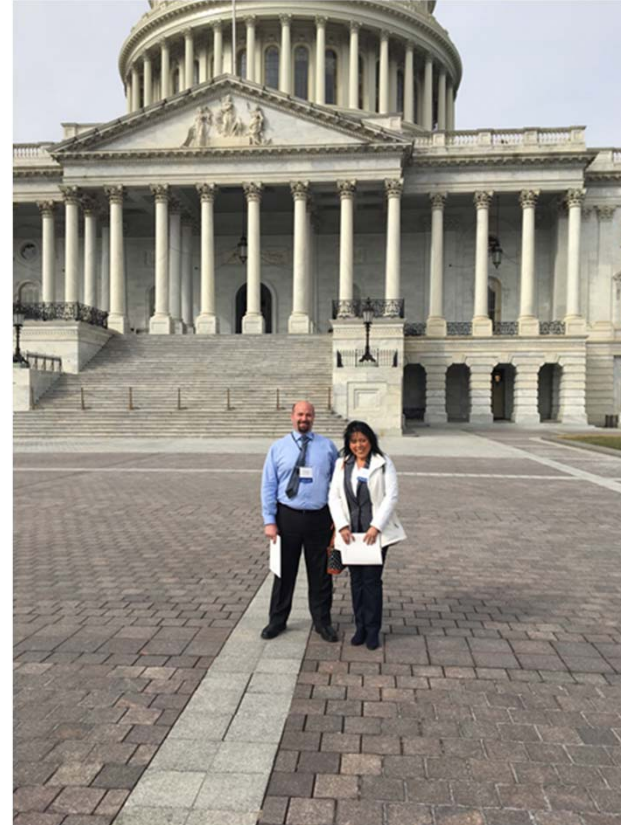




Prescription Drug Pricing

AHS Policy Priorities

- DSH Cut Delays
- Protecting 340B
- Waiver Renewal



Insights from experts

- Pressures are increasing
- Investments are moving further away from traditional delivery systems to digital health and other disruptors
- Payers just don't trust that we're truly committed to lowering costs
- We need to be the disruptors ourselves



SYSTEM UPDATES

All SNFs
back at
CMS 5 Stars

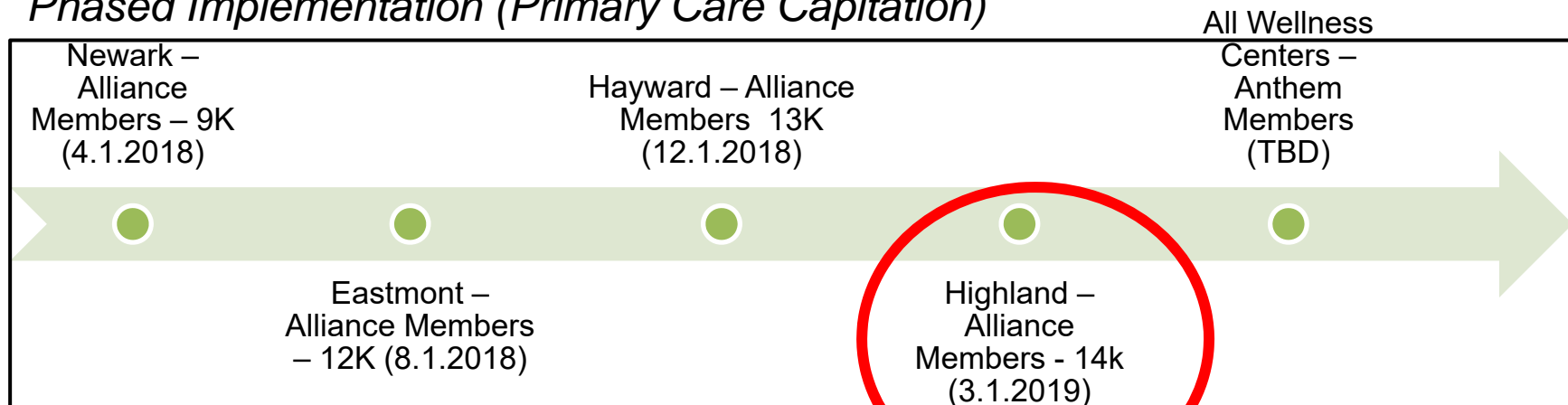
- **Park Bridge**
- **South Shore**
- **Fairmont SNF**



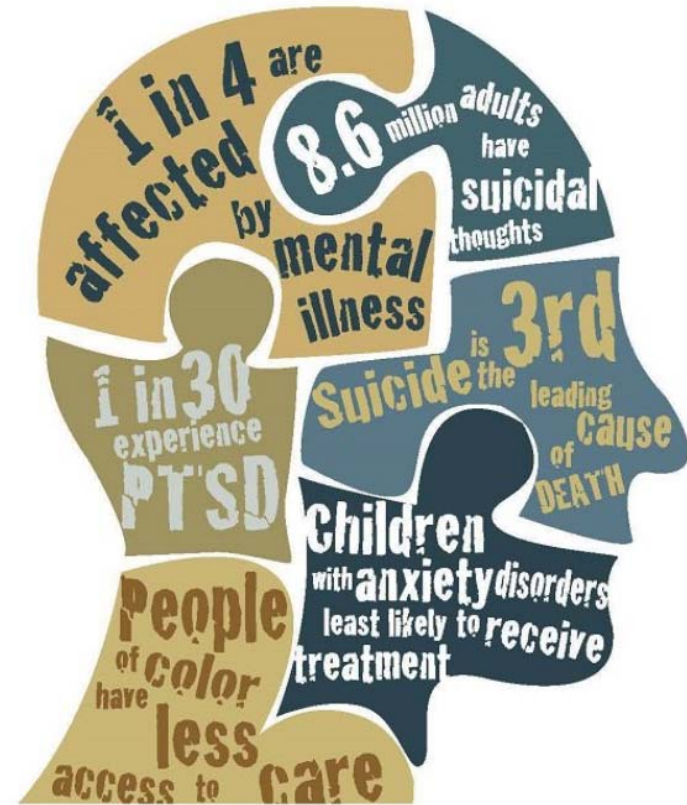
AHS Movement to Financial Risk (Compliance with APM Requirement)

APM Component	How AHS Will Meet Requirement
Defined Population	Alameda Alliance managed care members assigned to AHS medical home (48,000)
Quality Component	Alameda Alliance Quality Improvement P4P Program
Financial Risk	Partial capitation for primary care services only

Phased Implementation (Primary Care Capitation)

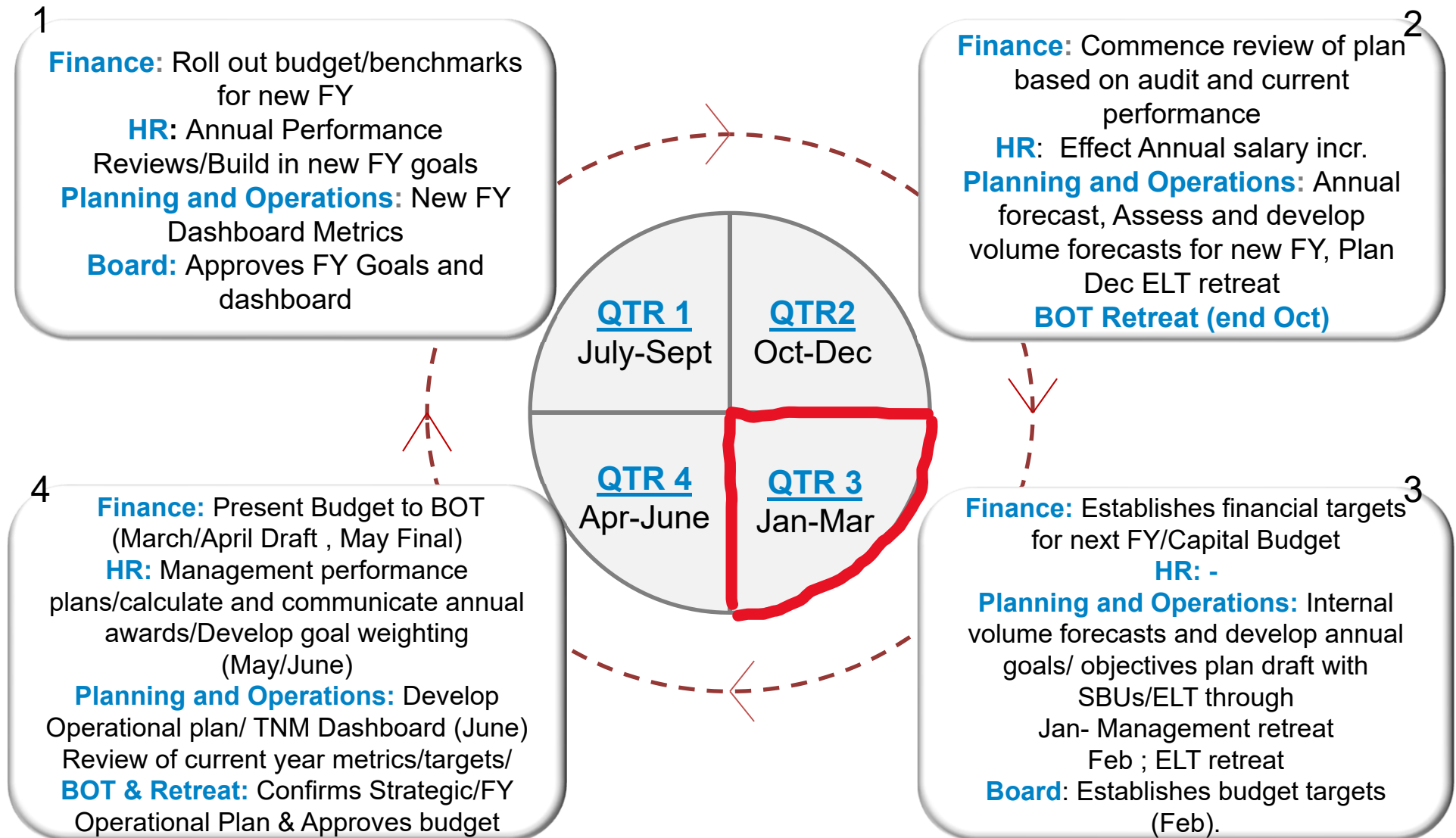


5150 in all
EDs



SAN LEANDRO & ALAMEDA HOSPITAL RECEIVE 5150 HOLD DESIGNATION

Detailed Annual Strategic & Financial Planning and Reporting Cycle





Charting a New Course

The Campaign for Alameda
Health System

Capital Planning Process - GSA

- Meeting held with GSA Director on January 14th
 - Working to have a finalized process by end of February
- Re-use plan of FMT Bldg. H
 - Options for County use
 - Flex space for SNF improvement
- Considerations for available County Space on Zhone Way

Kitchen Relocation and Seismic Planning

- Completing contract with Webcor Construction for project assessment
- GMP scheduled to be complete March – April
- Completion Target date – June 2020
- Seismic Compliance Committee
- Kaufman Hall Assessment Status



Project Update





ALAMEDA HEALTH SYSTEM EXECUTIVE SUMMARY



January 2019

OVERALL PROJECT STATUS

Satisfactory

OVERALL SCORE: **4.0/5.0**

AVERAGE EPIC CUSTOMER SCORE FOR
PHASE 1: **4.0/5.0**

GO-LIVE DATE:
September 28, 2019

RECIPIENTS

To: Delvecchio Finley, Luis Fonseca, Ghassan Jamaledine, MD, Mark Amey, David English, MD, Katya Osipova, Bernadette Jensen, Nick Volosin, Palav B Babaria, MD, Tanvir Hussain, MD, Tangerine Brigham, Sylvia Lozano, Mike Moye, Nancy Kaatz, Terry Lightfoot, Craig Carlson

From: Trina Johnson, Implementation Director

cc: Elaine Kavvadias, Stewart Traiman, Quinn Cordae, Krish Doppalapudi, Gerrie Teo, Sid Patwardhan, Sukhpal Cheema, Donna Warfield

OVERVIEW

The overall project status remains at *Satisfactory* this month because application teams successfully finished workflow build and started the testing phase of the install. The project team began application testing, charge testing, and mapped record testing on January 28. Teams are also currently on track to complete the next set of build needed for integrated testing prior to March 22.

We have a few areas this month that are at *watch* status with plans to move back on track quickly. You have two remaining contracts (Omnicell and Instamed) that need to be complete by February 28 in order to not impact later phases of the project. While most training curriculum is on track, ASAP, Stork and Tapestry missed the January deadline for the third set of curriculum development. The training team plans to complete all curriculum updates by the end of February as well as meet key milestones related to course catalog delivery and recruitment for credentialed and specialist trainers.

Additionally, you currently have a number of staffing gaps due to team departures. You are actively working to fill gaps on Cupid, Tapestry, and Clin Doc as well as the training team.

To remain at *satisfactory* next month, application teams need to pass all application test scripts by February 22 and the training team needs to remain on track for the delivery of the training schedule on March 8.

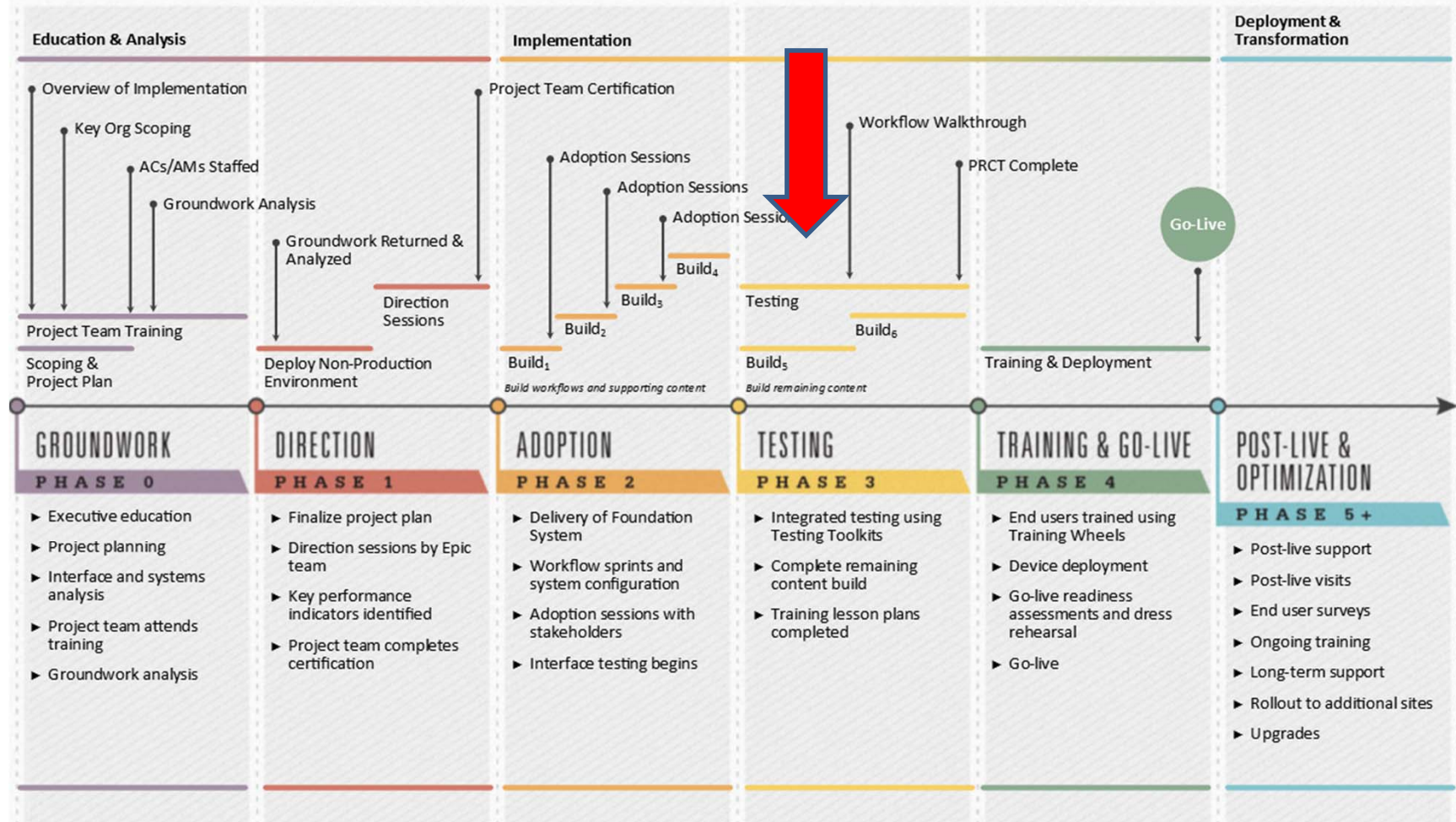
ISSUES NEEDING EXECUTIVE INTERVENTION

There are no issues needing executive intervention at this time.

ISSUES NEEDING EXECUTIVE OVERSIGHT

There are no issues needing executive oversight at this time.

IMPLEMENTATION OVERVIEW



Project Major Accomplishments

- Successfully Completed Data Migration by January 25
 - Migrated data from Build to Test environment
- Transitioned from Build to Testing
 - Application testing kicked off on January 29
- Large Scale Data Conversion Validation started in January
 - Comparing data for 50 patients
 - Successfully completed the data loads for Ambulatory, Radiology, and Cardiology
 - Ambulatory large scale validation completed by January 22
- Project is on track and favorable to budget
- End User Device Lab setup in progress
- Training Curriculum Review Boards (CRBs) review is underway
- Great progress made in Medical Device Integration testing by completing testing of almost every device type (GE/Phillips/Drager monitors, Anesthesia machines, etc.)

Focus for February & March

- Completion of application testing by February 22
- Completion of training curriculum by March 1 and ongoing preparation of training schedule and catalog
- Delivery of Epic February 2019 Quarterly upgrade
- Activation of Credentialed Trainer, Specialist Trainer, and Super User Recruitment
- Begin Integrated Scripts review on March 5 and transition to Integrated Testing
- Clinical System Design continues
- Medical device integration validation and testing
- Initiating more detailed Go Live planning
- Continue with Large scale data validation for Rad, Card and Lab

EHR PROJECT BUDGET			
Budget Category	Beginning to Date Budgeted	Beginning To Date Spent	Beginning To Date Variance
C-01 - Epic Software License	700,000	700,000	0
C-16 - Epic Hosting	1,039,632	733,025	306,607
C-20 - Epic Passthrough 3rdParty Software	62,000	36,557	25,443
C-02 - Interfaces	250,000	28,574	221,426
C-03 - Conversions	250,000	107,853	142,147
C-04 - 3rd Party Software	7,070,960	1,899,700	5,171,260
Total Capital Software	9,372,592	3,505,708	5,866,884
C-05 - Hardware: Infrastructure, Network	2,707,203	1,011,810	1,695,393
C-06 - Hardware: End User Devices	1,659,250	180,258	1,478,992
Total Capital Hardware	4,366,453	1,192,068	3,174,385
C-07 - Labor - AHS FTE Implementation Team	14,028,682	9,189,961	4,838,721
C-17 - Labor - AHS SME Compensation	447,152	122,704	324,448
C-26 - Labor - AHS Physician Compensation	618,589	89,289	529,300
C-08 - Labor - AHS FTE Implementation Team Training and Education	990,000	347,771	642,229
Subtotal Capital AHS Labor	16,084,424	9,749,725	6,334,699
C-09 - Labor - Epic Implementation Fees	2,331,000	2,181,000	150,000
C-10 - Labor - Epic Travel Expenses	2,380,000	637,793	1,742,207
Subtotal Capital Epic Labor	4,711,000	2,818,793	1,892,207
C-11 - Labor - 3rd Party Consulting	2,744,782	313,296	2,431,486
C-12 - Labor - 3rd Party Consulting Travel	-	-	0
C-13 - Labor - Pre-Implementation Planning	500,000	428,536	71,464
Subtotal Capital Consulting Labor	3,244,782	741,832	2,502,951
Total Capital Labor	24,040,206	13,310,350	10,729,856
C-24 - Project Team Space Lease	666,667	520,145	146,522
C-22 - AHS Project Miscellaneous Expenses (Room Rent, Parking etc.)	200,000	194,434	5,566
C-21 - AHS Project Food Expenses	143,585	37,996	105,589
C-14 - Contingency	4,206,139	-	4,206,139
C-18 - Epic Project Transfer Funds	-	-	0
C-19 - FQHC Grant	-	-	0
C-15 - CEO Scope Contingency	1,250,000	-	1,250,000
Total Capital Other	6,466,391	752,575	5,713,816
Total Capital	44,245,642	18,760,701	25,484,940

*Some invoices have not been received yet

* 3rd party contracts executed, invoices have not been received yet

* Jan payroll hasn't been finalized in EPSi yet

Closing thoughts

- *AHS Providers and staff are to be commended for the incredible work they are doing*
- *Our alignment and engagement with our providers is increasingly vital to our success as an organization*



Closing thoughts

- *Efforts to bend the healthcare cost curve are continuing*
- *These risks threaten the sustainability of the value-based delivery model that AHS and similarly motivated organizations*





- ***Radical transformation will be necessary for traditional organizations to survive, and ours is no different in this regard***

Closing Thoughts

AHS Board of Trustees Meeting

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FEBRUARY 28, 2018